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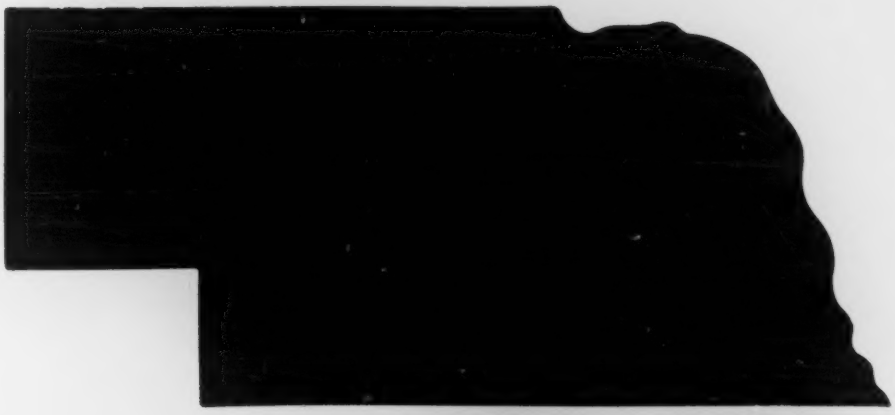

NEBRASKA ANNUAL SOCIAL INDICATORS SURVEY

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NEBRASKANS FAVOR TAX INCREASES FOR THEIR FAVORITE PROGRAMS

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The Nebraska Annual Social Indicators Survey

David R. Johnson and Alan Booth, 1987 Study Co-Directors

The findings in this report are based on data collected in the Twelfth Nebraska Annual Social Indicators Survey (NASIS). This survey is part of an on-going study of the quality of life in Nebraska conducted by the Bureau of Sociological Research at the University of Nebraska-Lincoln.

In the Fall of 1987, a representative sample of 1882 Nebraskans eighteen years of age or older living in households was interviewed by telephone. The respondents were selected using a random digit telephone sampling design. The interview averaged approximately 30 minutes and included questions about work, recreation, attitudes towards public services, taxes, and political and social issues. Other items included in the survey measured the quality of life in the state. For the entire sample, 95 out of 100 times the percentages computed from the items asked on the survey are likely to be accurate to within plus or minus 2.3 percent of the figure that would have been obtained if each adult in Nebraska had been surveyed. This is an estimate of maximum error and for most items the percentages are likely to be even more accurate.

The data gathered by NASIS are used by a wide variety of state and local government agencies for policy and program planning and by faculty and students at the University of Nebraska and other colleges for research and training. No information identifying any respondent is released to any users and the strict confidentiality of individual respondents is rigidly enforced. While the final responsibility for the organisation and structure of the survey and for reports produced rests with the Bureau of Sociological Research, public agencies and university departments play an integral part in planning the survey through an Advisory Committee. Public organisations interested in membership on the Advisory Committee should contact the NASIS Study Directors.

Funding for NASIS comes from the University of Nebraska, the Bureau of Sociological Research, and state and local agencies which buy items and data analysis from the survey.

The NASIS surveys are repeated each year to measure change in the quality of life in Nebraska. While there is a core of questions which is included every year, each survey has a large component of unique items which address specific topical areas. Additional details on the NASIS surveys or questions regarding the use of the survey data or cost of purchasing items on future surveys can be obtained by contacting Alan Booth or David R. Johnson, NASIS Study Directors, at the Bureau of Sociological Research or by sending for a copy of the 1988 NASIS Prospectus.

NEBRASKANS FAVOR TAX INCREASES FOR THEIR FAVORITE PROGRAMS

Each year state senators go through the difficult process of allocating limited funds to a wide range of programs. The job is not easy and each senator has to take into account a great number of things in arriving at a balanced judgement.

As part of the Nebraska Annual Social Indicators Survey, we decided to ask our respondents to take on a similar task. With the help and advice of staff in the Legislative Research Office and the Legislative Budget Office we were able to translate the complex structure of the Nebraska state government into 20 program categories that would be understandable to the person not deeply familiar with its organization. Certain agencies had to be combined with others and some very small programs left out so as not to exhaust the respondent's patience with too many programs. The programs were presented in a different random order to each of the 467 respondents so that no one program had the advantage of being presented first.

We started the series of questions with the following question: "Every year, our legislators are faced with the problem of allocating the state budget. We would like to get your opinion on how our state budget should be allocated. I'm going to name several expenditure categories, and for each one, I'd like you to tell me whether you think the amount allocated should be increased, decreased, or kept the same." The list of programs is presented in Table 1 with the percentage suggesting increase, decrease, or keep the same. The small number of people who were uncertain is indicated in the right hand column.

Most (94%) wanted to increase the allocation in one or more areas. The average number of areas they wished to increase was 7, with most people selecting between 3 and 11. There were very few areas, however, for which the majority of people wanted to increase the allocation. These are services for the elderly, programs for the handicapped (physical, mental, deaf and blind), the public elementary and secondary schools, and treatment of drug and alcohol abuse. Agriculture programs and services for the mentally retarded had increases advocated by just less than half the sample. Programs who had the fewest advocates for increased support were the state patrol and law enforcement agencies, prison and corrections, the National Guard, parks and recreation, garbage and waste disposal, library, historical society, NETV, Arts Council and the administration of state government (legislature, governor's office, treasurer, supreme court and attorney general).

A decade ago NASIS contained a similar question covering only eight program areas ("More for Less: Nebraskans and State Government Programs". 1978. Alan Booth and Susan Welch NASIS report # 1). Then as now, a majority wanted to expand programs. While not strictly comparable, it would appear that between 1978 and 1987 the public schools and services for the elderly gained support, drug programs and crime prevention lost support, and agriculture and water conservation remained about the same.

Slightly more than half (54%) wanted to cut one or more areas. The average was two areas, with most people selecting between one and three areas. There were no programs for which a

majority wanted to cut allocations. State government administration was targeted most often, with thirty percent suggesting cutting the allocation. The only other areas mentioned by any significant numbers of people were social services (15%), parks and recreation (12%), National Guard (12%) and corrections and prison (12%). For most areas people wanted to keep the same level of funding. These findings are consistent with the 1978 study.

This suggests a strong awareness of the need for state programs and probably a fairly high level of satisfaction with the services provided. The service components of state government have more support than the administrative sector. We checked to see if there were any systematic differences by voter status and region. The only one of note is that the central, southeast and Omaha areas were above average in their support for an increase in the allocation to the University.

For those who wanted to increase the allocation, we asked: "Are you willing to have your taxes increased by $2.00 per year to support more allocation for _____?" The results, shown in Table 2 indicate that the vast majority of those wanting to increase the allocation were willing to raise taxes to achieve that end. This finding is consistent with a 1983 NASIS which showed 51 percent of the citizens were will increase taxes for program expansion ("Nebraskans Attitudes on Taxing and Spending: An Examination of the 'More for Less' Paradox." 1983. Susan Welch. NASIS report #3).

However, when that is translated into the percent of the total sample willing to raise taxes, only programs for the

elderly have the support of the majority (55%). However, support for public schools (48%) and the handicapped come close (49%).

Sometimes tax increases are not possible. We wanted to know whether those wanting to increase the allocation for programs would be willing to take money from other programs to do so. Respondents were asked: "Suppose a tax increase is not possible and there is no extra money in the state budget so you would have to take money from other programs. Would you still want to increase spending?" Forty-six percent were willing to cut other areas, 43% were not and 11% were uncertain. There seems to be modest support for cutting some programs to enhance others, but not a clear majority. People seem to be reluctant to make hard decisions, even in areas thought to be important needs.

We asked those who said they were willing to make cuts: "From what program would you first take funds to enable increases in those areas you indicated should be increased?" Then we asked: "From what other program would you take funds to enable increases in those areas you indicated should be increased?" The percentage indicating each program would be either their first or second choice is shown in Table 3. In general they are the programs most likely to be selected for cuts (or no increase) in the first question on allocating resources. Those are government administration, National Guard, parks and recreation, social services, library, Historical Society, NETV, Arts Council, corrections and the prison.

Finally, those individuals who indicated they wished to cut one or more areas were asked: "You indicated that allocations should be decreased for some categories. Are you willing to

reallocate the money to another area or would you rather lower taxes?" Fifty-two percent indicated they wanted to reallocate the funds, 42% said they wanted to lower taxes, 3% wanted to do both, and 3% were uncertain. Those who want to cut programs in order to lower taxes only represents 25% of the entire sample.

CONCLUSIONS

It would seem the mood of Nebraskans is not to cut taxes, but tc continue to improve many areas of state government.

This research raises as many questions as it answers. Do citizens have a good grasp of how much money is spent in each area? If they did, would they change the areas they wish to expand or cut? Would they be interested in expanding public school spending if they knew it constitutes approximately 20 percent of the budget? Or would they be willing to advocate cuts in the State Patrol if they knew that this service consumes only 2 percent of the budget, or the National Guard, Parks and Recreation, and the Library which each comprise less than 1 percent of the budget? Would it make a difference if they knew that government administration takes only 7% of their tax dollar?

How strong are their preferences to increase services? If we asked about a $50 increase in taxes, how many would be willing to finance the increases they propose? While the answers to these questions are important to understanding public opinion about programs and spending, the finding from this study would suggest a generally positive view to program expansion in certain areas.

Table 1. Percent Who Want to Increase, Decrease, or Keep the Allocation the Same for each Program Category

	Percent				Number
	Increase	Decrease	Keep Same	Total	Uncertain
Public Elementary and Secondary Schools	53	1	46	100%	15
Community & Technical Colleges	35	4	61	100%	38
University of Nebraska	39	6	55	100%	40
State Colleges	39	3	58	100%	34
Social Services such as Medicaid, Aid to Dependent Children and Food Programs	37	15	48	100%	26
Services for the Elderly	62	1	37	100%	15
Services for the Handicapped--Physical, mental, deaf and blind	58	1	41	100%	24
Mental Health Services	42	2	56	100%	35
Treatment of Drug and Alcohol Abuse	53	4	43	100%	23
Mental retardation	46	2	52	100%	38
State patrol and enforcement agencies	26	5	69	100%	19
Prison and corrections	21	12	67	100%	60
National Guard	15	12	73	100%	50
Parks and recreation	16	11	73	100%	21
Streets and highways	37	4	59	100%	8
Agriculture	49	6	45	100%	26
Conservation of water resources	42	6	52	100%	35
Garbage and waste disposal	13	9	78	100%	40
Library, Historical society NETV and Arts Council	21	8	71	100%	29
Administration of state government--legislature governor's office, treasurer supreme court, attorney general and so on.	6	30	64	100%	22

Table 2. Percent willing to increase allocation who are also willing to raise taxes

	Percent Willing to Raise Taxes	Percent of Total Who Are Willing to Raise Taxes
Public Elementary and Secondary Schools	91	48
Community & Technical Colleges	91	30
University of Nebraska	88	30
State Colleges	85	31
Social Services such as Medicaid, Aid to Dependent Children and Food Programs	81	28
Services for the Elderly	90	55
Services for the Handicapped--Physical, mental, deaf and blind	88	49
Mental Health Services	85	34
Treatment of Drug and Alcohol Abuse	82	42
Mental retardation	86	37
State patrol and enforcement agencies	85	21
Prison and corrections	76	14
National Guard	71	9
Parks and recreation	84	13
Streets and highways	79	29
Agriculture	84	39
Conservation of water resources	83	32
Garbage and waste disposal	72	8
Library, Historical society NETV and Arts Council	75	15
Administration of state government--legislature governor's office, treasurer supreme court, attorney general and so on.	68	4

Table 3. Percentage of People Selecting Area for Cut

	Percent Selecting for Cut
Public Elementary and Secondary Schools	< 1
Community & Technical Colleges	7
University of Nebraska	8
State Colleges	7
Social Services such as Medicaid, Aid to Dependent Children and Food Programs	13
Services for the Elderly	0
Services for the Handicapped--Physical, mental, deaf and blind	1
Mental Health Services	2
Treatment of Drug and Alcohol Abuse	4
Mental retardation	3
State patrol and enforcement agencies	9
Prison and corrections	12
National Guard	21
Parks and recreation	18
Streets and highways	9
Agriculture	2
Conservation of water resources	6
Garbage and waste disposal	10
Library, Historical society NETV and Arts Council	13
Administration of state government--legislature governor's office, treasurer supreme court, attorney general and so on.	31